

## Message Text

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PAGE 01 GABORO 01053 01 OF 02 071637Z

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ACTION AF-06

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03

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FM AMEMBASSY GABORONE

TO SECSTATE WASHDC 6879

INFO AMCONSUL JOHANNESBURG

AMEMBASSY LUSAKA

AMEMBASSY MASERU

AMEMBASSY MBABANE

AMEMBASSY PRETORIA

CONFIDENTIAL SECTION 1 OF 2 GABORONE 1053

E.O. 11652: GDS

TAGS: PINS, ELAB, BC

SUBJECT: ASSESSMENT OF SELEBI-PIKWE LABOR DISORDERS

REF: GABORONE 1006, 1008, 1016, 1019, 1032 (NOTAL)

### 1. SUMMARY. UNDERLYING REASONS FOR LABOR DISTURBANCES

REPORTED REFTELS APPEAR TO BE CUMLATIVE FRUSTRATIONS AND GRIEVANCES AT BCL PLANT AND SELEBI-PIKWE TOWNSHIP WHICH WAS EXPLOITED BY SMALL CORE VOCAL LABOR ORGANIZERS ENCOURAGED BY OPPOSITION BOTSWANA NATIONAL FRONT (BNF) LED BY MOSCOW-EDUCATED KENNETH KOMA. SUBTERRANEAN UNREST LIKELY TO CONTINUE UNLESS EFFECTIVE ACTION IS TAKEN TO DEAL WITH LABOR AND SOCIAL PROBLEMS IN THE SELEBI-PIKWE TOWNSHIP. END SUMMARY.

### 2. BASED ON CONVERSATIONS WITH CROSS SECTION OF OPINION, KEY ELEMENTS IN SELEBI-PIKWE LABOR DISTURBANCES APPEAR TO BE (A) WAGE DISPUTES, (B) BAD LABOR-MANAGEMENT RELATIONS, (C) SOME RACIAL TENSION AT SELEBI-PIKWE, (D) SOCIAL UNREST ARISING FROM

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PAGE 02 GABORO 01053 01 OF 02 071637Z

INADEQUATE HOUSING AND UNEMPLOYMENT IN SELEBI-PIKWE TOWNSHIP,

AND (E) UNSTABLE MINE WORKERS UNION LEADERSHIP SUPPORTED BY OPPOSITION BNF PARTY.

3. (A) WAGE DISPUTE. THE IMMEDIATE CAUSE OF THE DISTURBANCE WAS DEMAND OF 200 UNDERGROUND PRESSURE DRILL OPERATORS FOR RATHER EXORBITANT WAGE INCREASE. BAMANGWATO CONCESSIONS LIMITED (BCL) GRANTED WAGE INCREASE FOR 90 PERCENT OF WORK FORCE EFFECTIVE JULY 1, 1975, WITH FIRST PAYMENTS RECEIVED JULY 25. PRESSURE DRILL OPERATORS WERE INCLUDED IN THIS GENERAL INCREASE: THEY DEMANDED MORE. MANAGEMENT APPARENTLY FELT OPERATORS WERE JUSTIFIED IN REQUESTING SOME ADDITIONAL INCREASE. BCL WAS PREPARED TO CONSIDER PAY HIKE WHICH WOULD BE CONSISTENT WITH COMPANY WAGE STRUCTURE AND GOVERNMENT'S INCOMES POLICY. MATTER WAS DISCUSSED WITH LABOR ON JULY 28; FURTHER MEETING HAD BEEN SCHEDULED FOR JULY 29. APPARENTLY SOME WORKERS MET THE EVENING OF JULY 28 AND AGREED TO STRIKE WITHOUT NOTIFICATION. ON THE MORNING OF JULY 29, SIX PEOPLE APPEARED AT THE PLANT GATE AND PREVENTED OTHERS FROM ENTERING. CROWD BUILT UP. SMALL BAND OF ARMED MEN WITH STICKS COMMANDERED COMPANY VEHICLES, SOME OFFICIALS ASSAULTED. NO SERIOUS DAMAGE TO PROPERTY OR PERSONNAL INJURIES HAVE BEEN REPORTED.

4. IT SEEMS LIKELY THAT PRESSURE FOR INCREASED WAGES AT BCL WILL CONTINUE. MONTHLY WAGES AT THE PLANT RANGE BETWEEN R40 TO 52 FOR UNSKILLED WORKERS AND IN EXCESS OF R300 FOR SKILLED LABOR. THESE WAGES ARE SIGNIFICANTLY LOWER THAN IN SOUTH AFRICA; THIS MAY BE SOURCE OF SOME DISSATISFACTION PARTICULARLY IN VIEW OF THE HIGHER COST OF LIVING IN BOTSWANA. UNDER GOVERNMENT'S INCOMES POLICY WAGES ARE RESTRICTED FOR ALL INDUSTRIES IN THE FACE OF PRICE INFLATION.

5. (B) LABOR/MANAGEMENT RELATIONS. THE LABOR DISTURBANCE AT SELEBI-PIKWE SUGGESTS LACK OF EFFECTIVE LABOR/MANAGEMENT COMMUNICATIONS. BOTH MANAGEMENT AND GOVERNMENT WERE UNAWARE DEPTH OF LABOR GRIEVANCES; BOTH WERE CAUGHT BY SURPRISE. GENERALLY AGREED THAT LABOR DISORDER THAT MAGNITUDE COULD NOT HAVE OCCURRED WITH GOOD/LABOR MANAGEMENT RELATIONS SUCH AS EXIST AT OTHER MAJOR ENTERPRISES INCLUDING ORAPA DIAMOND MINE, MORUPULE COAL AND BOTSWANA MEAT COMMISSION. THE BOTSWANA TRADE UNION EDUCATION CENTER, SUPPORTED BY AALC, HAS NOT BEEN SUCCESSFUL IN ORGANIZING

CONFIDENTIAL

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PAGE 03 GABORONE 01053 01 OF 02 071637Z

TRADE UNION SEMINARS AT SELEBI-PIKWE PARTLY BECAUSE OF LACK OF COOPERATION BY UNION ORGANIZERS. BOTSWANA PERSONNEL ASSISTANT WHO HAS GOOD REPUTATION WITH BCL MANAGEMENT APPARENTLY DOES NOT HAVE FULL TRUST OF WORKERS, WHO REGARD HIM AS "WHITE". RUMOR CIRCULATING AROUND GABORONE THAT BCL EMPLOYS BOTSWANA IN TOP POSITIONS BUT THEY ARE NOT GIVEN RESPONSIBILITY COMPARABLE TO THEIR QUALIFICATIONS. ALL THIS IS FURTHER COMPLICATED BY ALLEGED RACIAL DISCRIMINATION WITHIN BCL INVOLVING WHITE SOUTH AFRICAN

SUPERVISORS, WHO ACCOUNT FOR 40 PERCENT OF TOTAL BCL EXPATRIATE STAFF. HOWEVER MOST OF BCL'S EXPATRIATE STAFF IS BRITISH. ACCORDING TO WELL INFORMED SOURCES, SOUTH AFRICANS GET ALONG WELL WITH BATSWANA AND ALLEGEDLY TREAT THEM BETTER THAN THE BRITISH. IT IS CONCEIVABLE THAT THE SOUTH AFRICANS, EVERYTHING ELSE BEING EQUAL, HAVE A BETTER UNDERSTANDING OF THE CUSTOMS, HABITS AND TRADITIONS OF THE BATSWANA WORKERS. A HIGH PERCENTAGE OF THESE WORKERS COME FROM RURAL TRIBAL SOCIETY; THEY ARE NOT ACCUSTOMED TO THE DISCIPLINE OF AN INDUSTRIAL PLANT WITH STRUCTURED HOURS, REGULATED LEAVE, ETC. THEREFORE A CERTAIN AMOUNT OF SUPERVISORY FRUSTRATION MUST BE INHERENT IN THE SITUATION. IN ANY CASE, MOST BATSWANA WORKERS NOT LIKELY TO MAKE ANY DISTINCTION BETWEEN SOUTH AFRICAN AND BRITISH EXPATS AND INCIDENTS INVOLVING WHITE SUPERVISORS LIKELY TO HAVE RACIAL OVERTONES PARTICULARLY IN CLIMATE OF LABOR UNREST AND LANGUAGE BARRIER.

6. (C) RACIAL TENSION INN COMMUNITY: A PERCEPTION OF RACIAL DISCRIMINATION EXISTS AT SELEBI-PIKWE. MOST OF THE BETTER HOUSING IS ASSIGNED TO EXPATRIATE STAFF BECAUSE OF THEIR HIGHER POSITIONS. THE TWO CLUBS ARE OPEN TO ANYONE IN THE COMMUNITY WHO WISHES TO BECOME A MEMBER; BOTH CLUBS HAVE PRACTICALLY THE SAME FACILITIES. THE "HIGH DENSITY" CLUB HAS MORE BATSWANA MEMBERS THAN EXPATRIATES. THE "LOW DENSITY" CLUB IS PATRONIZED MAINLY BY EXPATRIATES AND A FEW SENIOR BATSWANA OFFICIALS IN THE SELEBI-PIKWE AREA. THERE ARE TWO PRIMARY SCHOOLS. SOME BATSWANA STUDENTS ATTEND THE SCHOOL WHICH IS RUN FOR EXPATRIATE CHILDREN: BUT NO WHITES ATTEND THE "SETWANA" PRIMARY SCHOOL. THESE ELEMENTS OF THE RACIAL PROBLEM ARE SIMILAR TO THOSE PREVAILING IN GABORONE, MASERU AND MBABANE WHERE BLACKS AND WHITES FREQUENT CERTAIN CLUBS AND ATTEND CERTAIN SCHOOLS, SUCH A SITUATION CAN BE EXPLOITED BY AN OPPORTUNIST PARTICULARLY WHERE OTHER CAUSES EXIST FOR UNREST.

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PAGE 04 GABORONE 01053 01 OF 02 071637Z

7. (D) INADEQUATE HOUSING AND UNEMPLOYMENT: A SIGNIFICANT SOURCE OF UNREST ARISES FROM INADEQUATE HOUSING AND UNEMPLOYMENT IN SELEBI-PIKWE. A LARGE NUMBER OF RURAL BATSWANA MIGRATED TO SELEBI-PIKWE. PARTICULARLY DURING THE CONSTRUCTION PHASE OF THE MINE AND TOWNSHIP. IT IS ESTIMATED THAT 15,000 PEOPLE LIVE IN THE BOTSHAABELO SQUATTERS AREA, WHICH HAS NOW BEEN INCORPORATED INTO THE SELEBI-PIKWE TOWNSHIP. MANY OF THESE PEOPLE WERE DISMISSED FROM EMPLOYMENT FOLLOWING THE COMPLETION OF THE MINE AND TOWNSHIP

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PAGE 01 GABORO 01053 02 OF 02 072034Z

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CONFIDENTIAL FINAL SECTION OF 2 GABORONE 1053

CONSTRUCTION PHASE; THEY ARE STILL UNEMPLOYED. IT IS UNDERSTOOD THAT A SIGNIFICANT NUMBER OF PEOPLE FROM THE BOTSHABELO SQUATTERS AREA WERE INVOLVED IN THE JULY 29 DISORDERS. THE SELEBI-PIKWE TOWN COUNCIL IS TRYING TO DEVELOP LOW-COST HOUSING WHICH WOULD ACCOMMODATE 3,000 TO 6,000 PEOPLE; OTHERS COULD BENEFIT FROM INFRASTRUCTURE DEVELOPMENT SUCH AS WATER, ROADS AND CLINICS.

8. (E) UNION LEADERSHIP AND POLITICAL MOTIVATION. IT IS PROBABLE THAT THE MINE WORKERS UNION LEADERSHIP ENCOURAGED BY THE OPPOSITION BNF CAPITALIZED ON THE EXISING UNREST AT SELEBI-PIKWE TO INSTIGATE THE STRIKE. IT IS UNDERSTOOD THAT BNF LEADER KENNETH KOMA VISITED SELEBI-PIKWE TWO WEEKS PRIOR TO STRIKE; HE ATTENDED UNIVERSITY IN PRAGUE AND HOLDS A PH.D FROM MOSCOW UNIVERSITY. MINE WORKERS UNION LEADER LESHONA IS A MEMBER OF THE BNF EXECUTIVE COMMITTEE, HAS A LONG POLICE RECORD, IS CONSIDERED UNSTABLE, AND REPORTEDLY ATTENDED THE UNIVERSITY OF ROCHESTER WHERE HE DROPPED OUT WITH PSYCHOLOGICAL PROBLEMS. PRESIDENT WAS UNDOUBTEDLY REFERRING TO BNF LEADERS INCLUDING LESHONA WHEN HE MENTIONED SUBVERSION BY HARD-CORE POLITICALLY MOTIVATED INDIVIDUALS

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PAGE 02 GABORO 01053 02 OF 02 072034Z

IN HIS SPEECH.

9. PROSPECTS. SUBTERRANEAN UNREST MAY WELL CONTINUE AT SELEBI-PIKWE UNTIL THE BROAD SPECTRUM OF DESTABILIZING FACTORS IS DEALT WITH MORE EFFECTIVELY. THIS WILL REQUIRE FULL COOPERATION BCL, SELEBI-PIKWE TOWNSHIP AND FEDERAL GOVERNMENT. PRESIDENT KHAMA'S FIRM STATEMENT ON THE SITUATION HAS BEEN APPLAUDED BY MANY; HE HAS ALSO BEEN PUBLICLY CRITICIZED PARTICULARLY BY BNF SUPPORTERS FOR UNDULY TAKING SIDES WITH MANAGEMENT. TRIAL OF DETAINEES AT SELEBI-PIKWE MAY FURTHER HIGHLIGHT LABOR GRIEVANCES AT BCL AND SUBJECT BOTH COMPANY AND GOVERNMENT TO FURTHER CRITICISM. AN IMMEDIATE PROBLEM WILL BE THE RE-EMPLOYMENT OF WORKERS.

BCL HAS A TOTAL LABOR FORCE OF 2700; 440 OR 500 OF THESE ARE CONSIDERED SURPLUS. IF THESE WORKERS ARE NOT RE-EMPLOYED IT WILL AGGRAVATE THE UNEMPLOYMENT PROBLEM IN THE AREA AND CREATE RESENTMENT. THIS COULD BE FURTHER COMPLICATED BY RUMORS TO THE EFFECT THAT BCL MANAGEMENT WILL USE THE STRIKE TO THWART LOCALIZATION OF POSITIONS CURRENTLY HELD BY EXPATS. ALL THIS PRESENTS A DIFFICULT PROBLEM FOR THE COMPANY SINCE IT IS IN NO POSITION TO ABSORB ADDITIONAL LABOR COSTS. COMPANY HAS BEEN INCURRING A LOSS OF R3 MILLION PER MONTH AS A RESULT OF TECHNICAL DIFFICULTIES. THE PLANT IS CURRENTLY CLOSED DOWN FOR A FEW WEEKS WITH A RESULTING R1-2 MILLION PER MONTH ADDITIONAL LOSS.

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## Message Attributes

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